

BILL # HB 2325

TITLE: charter schools; teacher experience index

SPONSOR: Gray

STATUS: As Introduced

REQUESTED BY: House

PREPARED BY: Jake Corey

FISCAL ANALYSIS

Description

The bill would apply the Teacher Experience Index (TEI) (A.R.S. § 15-941) to charter schools in the K-12 Basic State Aid funding formula. The Arizona Department of Education (ADE) shall only include certificated teachers in their calculation of charter schools' TEI.

Estimated Impact

We estimate that the bill could have an annual General Fund cost of up to \$6,638,900 beginning in FY 2006 if certificated charter school teachers have the same average level of experience as district school teachers.

Analysis

The TEI is a formula calculation that provides additional Basic State Aid funding to a school district if the average experience level of teachers in the district is greater than the average for the state. The formula provides additional funding by multiplying a district's Base Support Level (BSL) by the TEI, provided the TEI is greater than one. Currently the TEI is not applied to a charter school's BSL.

In FY 2006, total BSL funding for charter schools is estimated to be \$412,356,400. The average TEI that is currently being applied to school districts' BSL is 1.0161. Applying the average district TEI to charter schools, therefore, would increase charter schools' BSL by an average of 1.61%. This would amount to an additional estimated state General Fund cost of \$6,638,900.

The actual cost of the bill would depend on the average experience level of certificated teachers in each charter school in the state. Unlike school districts, charter school teachers are not required to receive certification from the State Board of Education. The average experience level of certificated charter school teachers is believed to vary greatly from charter school to charter school.

The TEI is applied to a school district's BSL based on teacher experience level data provided to ADE by October 15 of the prior year. The department is required to compute the TEI for the following fiscal year for each district by March 15. The first opportunity for charter schools to submit data to ADE, therefore, would occur in FY 2005, and the first opportunity for the TEI to be applied to the charter school's BSL would be in FY 2006.

Local Government Impact

None.

2/16/04